



U.S. Department of Justice

*United States Attorney
Eastern District of New York*

KTF/RTP/VAZ/EWS
F. #2015R00747

*271 Cadman Plaza East
Brooklyn, New York 11201*

December 14, 2022

By E-mail and ECF

The Honorable Pamela K. Chen
United States District Judge
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

Re: United States v. Full Play Group, SA, et al.
Criminal Docket No. 15-252 (S-3) (PKC)

Dear Judge Chen:

The government writes in response to the stipulation proposed by defendants Hernan Lopez and Carlos Martinez regarding the News of the World Scandal (the “NOTW Scandal”). See ECF No. 1873. For the reasons set forth in the government’s motion in limine, see ECF Nos. 1828, 1846, and as explained during the December 2, 2022 oral argument, the NOTW Scandal is direct evidence of the charged crimes because it contextualizes why the defendants discussed with Alejandro Burzaco the need to “clean up” T&T Cayman’s books, including ultimately leading to Carlos Martinez’s signing the 2012 Swap Agreement.

The government maintains that the proposed stipulation, let alone any stipulation, is unnecessary to mitigate the risk of unfair prejudice. As the Court recognized during the December 2 hearing, “I think the prejudice is very minimal and this is fairly typical kind of background information, even to some extent the formation of the conspiracy kind of information[.]” Dec. 2, 2022 Hr’g Tr. at 79:17-19. Moreover, the government reiterates that it does not intend to elicit the more sensational or lurid details about the scandal, thereby mitigating whatever prejudice the defendants might suffer from the introduction of evidence of the scandal. However, in an effort to reach a compromise on this issue, the government will agree to a stipulation, provided that (i) the defendants agree to the following changes (reflected in red):

I have decided that it might be useful to provide you some background to the testimony you are hearing and may hear later in the trial on this topic, and to that end the parties have agreed as follows: In July 2011, it was publicly reported that employees of a newspaper in the United Kingdom called ‘News of the World’ had engaged in phone hacking and other improper activities, **including bribery**, in the pursuit of stories. News of the World was owned by

News Corp., which at the time also owned Fox, including Fox International Channels. In the Fall of 2011, News Corp. publicly announced its intention to implement certain corporate reforms, including enhanced compliance **and anti-bribery** policies and procedures, across all of News Corp.'s businesses, **including Fox International Channels**. Hernan Lopez **and** Carlos Martinez, ~~and FIC had no involvement whatsoever~~ were not involved with News of the World or its activities.”;

and (ii) the government is permitted to question witnesses about the enhanced compliance and anti-bribery measures that were introduced at News Corp. following the NOTW Scandal, as well as any discussions among the defendants and the witnesses about the scandal and the contributing effect it had on the defendants' conduct.

The government's proposed changes to the stipulation accurately describe the nature of the NOTW Scandal as well as the corporate reforms that News Corp. instituted in the wake of the scandal. Leaving the word "bribery" out of the stipulation would strip the NOTW Scandal evidence of its probative force and risk confusing the jury as to the reason why the anti-bribery policies were implemented when they were. Moreover, permitting the government to question witnesses about the enhanced measures as well as any discussions among the defendants and the witnesses about the scandal will mitigate prejudice to the government that would result if the government were not permitted to tell the whole story to the jury.

Respectfully submitted,

BREON PEACE
United States Attorney

By: /s/
Kaitlin T. Farrell
Robert T. Polemeni
Victor Zapana
Eric Silverberg
Assistant U.S. Attorneys
(718) 254-7000

cc: Clerk of Court (PKC) (by ECF)
Counsel of record (by ECF)